

GERMANTOWN WATER SYSTEM, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2011

GERMANTOWN WATER SYSTEM, INC.

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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Germantown Water System, Inc.
Minden, Louisiana

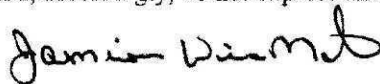
We have compiled the accompanying statement of financial position of Germantown Water System, Inc. (a not for profit organization) as of December 31, 2011 and the related statement of activities and cash flows for the year then ended. We have not audited or reviewed the accompanying financial statements and accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, changes in net assets, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The Summary Schedules of Prior Year Findings and Current Year Findings are presented for purposes of additional analysis and are not a required part of the financial statements. We have not audited or reviewed these schedules and, accordingly, do not express an opinion or any other form of assurance on them.



Minden, Louisiana
October 25, 2013

GERMANTOWN WATER SYSTEM, INC.
Statement of Financial Position
December 31, 2011

ASSETS

	<u>2011</u>
Current Assets:	
Cash in bank and petty cash	\$ 153,181
Accounts receivable	<u>20,876</u>
Total current assets	<u>174,057</u>
Property, Plant & Equipment:	
Land	1,177
Buildings	1,081
Water wells & pumps	147,471
Booster stations & storage tanks	268,517
Distribution systems	648,130
Other equipment	<u>120,275</u>
	1,186,651
Add: Work-in-progress - engineering fees	10,740
Less: Accumulated depreciation	<u>(698,001)</u>
Total property, plant & equipment	<u>499,390</u>
Other Assets:	
Reserved cash - reserve accounts	152,364
Bonds investments	-
Utility deposits	<u>200</u>
Total other assets	<u>152,564</u>
TOTAL ASSETS	<u>\$ 826,011</u>

GERMANTOWN WATER SYSTEM, INC.
Statement of Financial Position
December 31, 2011

LIABILITIES AND NET ASSETS

	<u>2011</u>
Current Liabilities:	
Accounts payable	\$ 5,788
Current portion of long-term debt	<u>16,058</u>
Total current liabilities	<u>21,846</u>
Long-term Liabilities:	
Note payable - Rural Development	<u>77,588</u>
	77,588
Less: Current portion of long-term debt	<u>(16,058)</u>
Total long-term liabilities	<u>61,530</u>
Other Liabilities:	
Meter deposits	<u>14,703</u>
Total other liabilities	<u>14,703</u>
Net Assets:	
Unrestricted	<u>727,932</u>
Total net assets	<u>727,932</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 826,011</u>

GERMANTOWN WATER SYSTEM, INC.
Statement of Activities
Year Ended December 31, 2011

Unrestricted Net Assets	<u>2011</u>
Revenue	
Water sales	\$ 233,248
Interest earned	502
Grant Income	20,000
Delinquent charges	5,343
Turn on and off fees	1,675
Other Income	<u>1,440</u>
Total Unrestricted Revenue	<u>262,208</u>
Expenses	
Program Services	
Utilities	25,048
Billing & related services	14,100
Uncollectible accounts	1,082
Meter readings	5,724
Operating & maintenance fees	34,340
Chemicals and supplies	19,483
Right-of-way lease costs	918
Repairs, maintenance & labor	<u>47,788</u>
Total program services	<u>148,483</u>
Supporting Services	
Accounting and legal	4,950
Depreciation	31,614
Insurance	5,673
Interest	4,296
Office supplies & postage	597
Taxes	999
Bank charges	1,387
All other	<u>786</u>
Total supporting services	<u>50,302</u>
Total expenses	<u>198,785</u>
Increase in Unrestricted Net Assets	<u>63,423</u>
Unrestricted Net assets, beginning of year	663,909
Increase in Memberships	<u>600</u>
Net assets, end of year	<u>\$ 727,932</u>

GERMANTOWN WATER SYSTEM, INC.
Statement of Cash Flows
Year Ended December 31, 2011

	<u>2011</u>
Cash flows from operating activities	
Change in net assets	\$ 63,423
Adjustments to reconcile change in net assets to net cash from operating activities:	
(Gain)loss on sale of assets	-
Depreciation	31,614
Accounts receivable	(2,106)
Current liabilities	(3,606)
Accounts payable	-
Payroll tax payable	-
Net cash provided/(used) by operating activities	<u>89,325</u>
Cash flows from investing activities	
Purchase of property, plant & equipment	(59,828)
Purchase of investments	-
Proceeds from sale of assets	-
Net cash provided/(used) by investing activities	<u>(59,828)</u>
Cash flows from financing activities	
Increase in memberships	600
Payments on Rural Development loans	(15,276)
Net cash provided/(used) by financing activities	<u>(14,676)</u>
Net increase in cash	14,821
Cash and cash equivalents at beginning of year	<u>290,724</u>
Cash and cash equivalents of end of year	<u><u>\$ 305,545</u></u>
Supplemental disclosure:	
Interest paid	<u>\$ 4,296</u>
CASH:	
Cash	153,181
Restricted fund	<u>152,364</u>
	<u><u>305,545</u></u>

Germantown Water System, Inc.

December 31, 2011

Schedule of Prior Year Findings

2010-1 – Financial Reporting. The Water System received state grant money and therefore was subject to reporting to the Legislative Auditor. The report was not sent in timely.

Management Response. – A CPA has been obtained to review the yearend financials to ensure compliance with reporting requirements.

Germantown Water System, Inc.
December 31, 2011

Schedule of Current Year Findings

2011-1 – Financial Reporting. The Water System received state grant money and therefore was subject to reporting to the Legislative Auditor. The report was not sent in timely.

Management Response. – A CPA has been obtained to review the yearend financials to ensure compliance with reporting requirements.